

(i) Controlled by 9D004.a or .c.
(vii) "Technology", as follows:

(A) Controlled by 5E001.a for items controlled by 5A001.b.9 or 5D001.a; and

(B) Controlled by 1E001 for items controlled by 1A002.a, 1C001, or 1C102 as described by paragraph (b)(1) of this Supplement; and

(C) Controlled by 6E001 for the "development" of equipment or "software" in 6A001.a.2.a.1, 6A001.a.2.a.2, 6A001.a.2.a.7, 6A001.a.2.b, 6A001.a.2.c, 6A001.a.2.3, 6A002.a.1.c, 6A008.L3, or 6B008, as described in paragraph (b)(1) of this Supplement; and

(D) Controlled by 6E002 for the "production" of equipment controlled by 6A001.a.2.a.1, 6A001.a.2.a.2, 6A001.a.2.a.7, 6A001.a.2.b, 6A001.a.2.c, 6A001.a.2.3, 6A002.a.1.c, 6A008.L3, or 6B008, as described in paragraph (b)(1) of this Supplement; and

(E) Controlled by 8E001 for items controlled by 8A001.b, 8A002.a.3.b, or 8A001.d; and

(F) Controlled by 9E001 for items controlled by 9A011, 9D001, or 9D002; and

(G) Controlled by 9E002 for items controlled by 9A011; and

(H) Controlled by 9E003.a.1; and

(I) Controlled by 9E003.a.3 for items controlled by 1A002.a as described in paragraph (b)(1)(i) of this Supplement.

(2) Items identified on the Commerce Control List as controlled for missile technology (MT), chemical and biological warfare (CB), or nuclear nonproliferation (NP) reasons:

(3) Regional stability items controlled under Export Control Classification Numbers (ECCNs) 6A002, 6A003, 6B001, 6E002, 7D001, 7E001, 7E002, and 7E101 as described in § 742.6(a)(1) of the EAR; or

(4) Encryption items controlled for EI reasons as described in the Commerce Control List.

PART 742—[AMENDED]

16. Section 742.6(a)(1) is amended:

a. By removing the phrase "6D102 (only software for development of items in 6A002.a.1, a.2, a.3, or .c);" and

b. By revising the phrase "7E002 (only technology for the production of inertial navigation systems, inertial equipment, and specially designed components therefor for civil aircraft)." to read "7E002 (only technology for the production of inertial navigation systems, inertial equipment, and specially designed components therefor for civil aircraft); 7E101 (only technology for the use of inertial navigation systems, inertial equipment, and specially designed components for civil aircraft)."

17. Section 742.12 is amended by revising paragraph (a)(3) and by removing paragraph (a)(4) to read as follows:

§ 742.12 High performance computers.

(a) * * *

(3) Exporters must keep accurate records of each export to countries not included in Country Group A:1 (see Supplement No. 1 to part 740 of the EAR) of a computer with a CTP greater than 4,000 MTOPS. These records must be submitted semiannually to BXA and must contain the information as described in § 743.1 of the EAR.

* * *

18. A new part 743 is added to read as follows:

PART 743—SPECIAL REPORTING

Authority: 50 U.S.C. app. 2401 et seq.; 50 U.S.C. 1701 et seq.; E.O. 12924, 59 FR 43437, 3 CFR, 1994 Comp., p. 917; Notice of August 15, 1995, 3 CFR, 1995 Comp., p. 501; Notice of August 14, 1996, 3 CFR, 1996 Comp., p. 289; and Notice of August 13, 1997 (62 FR 43629, August 15, 1997).

§ 743.1 Wassenaar Arrangement.

(a) Scope. This section outlines special reporting requirements for exports of certain commodities, software and technology controlled under the Wassenaar Arrangement. Such reports must be submitted to BXA semiannually in accordance with the provisions of paragraph (f) of this section, and records of all exports subject to the reporting requirements of this section must be kept in accordance with part 762 of the EAR. This section does not require reports for reexports.

(b) Requirements. You must submit two (2) copies of each report required under the provisions of this section and maintain accurate supporting records (see § 762.2(b) of the EAR) for all exports of items specified in paragraph (c) of this section under any of the following License Exceptions authorized by part 740 of the EAR: License Exceptions GBS, CIV, TSR, LVS, CTP, and GOV. For purposes of this part 743, "you" has the same meaning as "U.S. exporter", as defined in part 772 of the EAR.

(c) Items for which reports are required. (1) You must submit reports to BXA under the provisions of this section only for exports of items controlled under the following ECCNs:

(i) Category 1: 1A002, 1C007.c and .d, 1C010.c and .d, 1D002, 1E001, 1E002.e, and 1E002.f;

(ii) Category 2: 2B001.a or .b (certain items only; see Note to this paragraph) 2B001.f, 2B003, 2D001, 2E001, and 2E002;

Note to paragraph (c)(1)(ii): The following are not controlled for NP reasons: turning machines controlled by 2B001.a with a capacity equal to or less than 35 mm diameter; bar machines (Swissturn), limited to machining only bar feed through, if maximum bar diameter is equal to or less

than 42 mm and there is no capability of mounting chucks (machines may have drilling and/or milling capabilities for machining parts with diameters less than 42 mm); or milling machines controlled by 2B001.b with x-axis travel greater than two meters and overall "positioning accuracy" on the x-axis more (worse) than 0.030 mm. Therefore, exports of such items under License Exception GOV are subject to reporting requirements.

(iii) Category 3: 3A002.g.2, 3B001.a.2, 3D001, and 3E001;

(iv) Category 4: 4A001.a.2 and .b, 4A003.b and .c (see paragraph (c)(2) of this section), 4D001, 4D003.c, and 4E001;

(v) Category 5: 5A001.b.8, 5B001 (items specially designed for

5A001.b.8), 5D001.a and .b, 5E001.a, 5A002, 5B002, 5D002, and 5E002;

(vi) Category 6: 6A001.a.1.b, a.2.c, a.2.d, and a.2.e; 6A002.b, 6A004.c and d, 6A006.g and h, 6A008.d, .h, and .k; 6D001, 6D003.a, 6E001, and 6E002;

(vii) Category 8: 8A001.c; 8A002.b, .h, .j, .o.3.a, and .p; 8D001, 8D002, 8E001, and 8E002.a; and

(viii) Category 9: 9B001.b, 9D001, 9D002, 9D004.a and .c, 9E001, 9E002, 9E003.a.1, 9E003.a.2, a.3, a.4, a.5, a.8, and a.9.

(2) Reports for "digital computers" and "electronic assemblies" controlled under ECCN 4A003.b and .c are required only for computers with a composite theoretical performance (CTP) exceeding 4,000 MTOPS or computer enhancements thereof such that the CTP exceeds 4,000 MTOPS. Records for software controlled by 4D001 are required for software specially designed for the development or production of computers having a CTP exceeding 4,000 MTOPS. For the calculation of CTP, see the Technical Note for Category 4 in the Commerce Control List (Supplement No. 2 to part 774 of the EAR).

(d) Country Exceptions. You must report each export subject to the provisions of this section, except for exports to countries identified in Country Group A:1 (see Supplement No. 1 to part 740 of the EAR).

(e) Information that must be included in each report. (1) Each report submitted to BXA for items other than those identified in paragraph (c)(2) of this section must include the following information for each export during the time periods specified in paragraph (f) of this section:

(i) Export Control Classification Number and paragraph reference as identified on the Commerce Control List;

(ii) Number of units in the shipment; and

(iii) Country of ultimate destination.
 (2) Reports for "digital computers" and "electronic assemblies" controlled under ECCN 4A003.b and .c must include the following information:
 (i) Date of shipment;
 (ii) Name and address of the end-user and each intermediate consignee;
 (iii) CTP of each computer or aggregation of computing elements in shipment;
 (iv) Quantity shipped; and
 (v) End-use.

(f) *Frequency and timing of reports.* You must submit reports subject to the provisions of this section semiannually. The reports must be labeled with the exporting company's name and address at the top of each page and must include for each such export all the information specified in paragraph (e) of this section. The reports shall cover exports made during six month time periods spanning from January 1 through June 30 and July 1 through December 31.

(1) The first report must be submitted to and received by BXA no later than August 1, 1998 for the partial reporting period beginning January 15, 1998 and ending June 30, 1998. Thereafter, reports are due according to the provisions of paragraphs (f)(2) and (f)(3) of this section.

(2) Reports for the reporting period ending June 30 must be submitted to and received by BXA no later than August 1.

(3) Reports for the reporting period ending December 31 must be submitted to and received by BXA no later than February 1.

(g) *Mailing address and facsimile number:* (1) Two (2) copies of reports required under this section shall be delivered to one of the following addresses. BXA will not accept reports sent C.O.D.

(i) For deliveries by U.S. postal service:

Bureau of Export Administration, U.S. Department of Commerce, P.O. Box 273, Attn: "Wassenaar Reports", Washington, D.C. 20044

(ii) For courier deliveries:

Bureau of Export Administration, U.S. Department of Commerce, Attn: "Wassenaar Reports", Room 2705, 14th Street and Pennsylvania Ave., N.W., Washington, D.C. 20230

(2) Reports may also be sent by facsimile to: (202) 482-3345, Attn: "Wassenaar Reports".

(h) *Contacts.* General information concerning the Wassenaar Arrangement and reporting obligations thereof is available from the Office of Strategic Trade and Foreign Policy Controls, Tel. (202) 482-0092, Fax: (202) 482-4094.

§ 743.2 [Reserved]

PART 744—[AMENDED]

19. Section 744.8(b) is amended by revising the phrase "7A006, 7A106, 7A115, 7A994," to read "7A006, 7A994".

PART 746—[AMENDED]

20. Section 746.8(b)(1)(ii) is amended by revising the phrase "6B002, 9A115, 9A991.a," to read "6B002, 9A991.a,".

PART 762—[AMENDED]

21. Section 762.2 is amended by revising paragraphs (b)(35) and (b)(36) and by adding a new paragraph (b)(37) to read as follows:

§ 762.2 Records to be retained.

* * * * *

(b) * * *

(35) § 764.5, Voluntary self-disclosure;

(36) § 766.10, Subpoenas; and

(37) § 743.1, Wassenaar reports.

PART 774—[AMENDED]

22. Supplement No. 1 to part 774 is revised to read as follows:

Supplement No. 1 to Part 774—the Commerce Control List

Category 0—Nuclear Materials, Facilities, and Equipment (and Miscellaneous Items)

A. Systems, Equipment and Components

0A001 "Nuclear reactors", i.e., reactors capable of operation so as to maintain a controlled, self-sustaining fission chain reaction, and equipment and components specially designed or prepared for use in connection with a "nuclear reactor", including (see List of Items Controlled).

License Requirements

Reason for Control:

Control(s): Items described in 0A001 are subject to the export licensing authority of the Nuclear Regulatory Commission (see 10 CFR part 110)

License Exceptions

LVS: N/A

GBS: N/A

CIV: N/A

List of Items Controlled

Unit: N/A.

Related Controls: N/A

Related Definitions: N/A

Items: a. Pressure vessels, i.e. metal vessels as complete units or X parts therefor, which are specially designed or prepared to contain the core of a "nuclear reactor", and are capable of withstanding the operating pressure of the primary coolant, including the top plate for a reactor pressure vessel;

b. Fuel element handling equipment, including reactor fuel charging and discharging machines;

c. Control rods specially designed or prepared for the control of the reaction rate

in a "nuclear reactor", including the neutron absorbing part and the support or suspension structures therefor, and control rod guide tubes;

d. Electronic controls for controlling the power levels in "nuclear reactors", including reactor control rod drive mechanisms and radiation detection and measuring instruments to determine neutron flux levels;

e. Pressure tubes specially designed or prepared to contain fuel elements and the primary coolant in a "nuclear reactor" at an operating pressure in excess of 5.1 MPa;

f. Tubes or assemblies of tubes, made from zirconium metal or alloy in which the ratio of hafnium to zirconium is less than 1:500 parts by weight, specially designed or prepared for use in a "nuclear reactor";

g. Coolant pumps specially designed or prepared for circulating the primary coolant of "nuclear reactors";

h. Internal components specially designed or prepared for the operation of a "nuclear reactor", including core support structures, thermal shields, baffles, core grid plates and diffuser plates;

i. Heat exchangers.

0A002 Power generating or propulsion equipment specially designed for use with space, marine or mobile "nuclear reactors". (These items are subject to the export licensing authority of the U.S. Department of State, Office of Defense Trade Controls. See 22 CFR part 121.)

0A018 Items on the International Munitions List.

License Requirements

Reason for Control: NS, RS, AT, UN

Control(s) Country Chart

Control(s)	Country Chart
NS applies to entire entry	NS Column 1
RS applies to 0A018.c	RS Column 2
AT applies to entire entry	AT Column 1
UN applies to entire entry	Rwanda

License Exceptions

LVS: \$5000 for 0A018.a and b; \$3000 for 0A018.c; \$1500 for 0A018.d through f; \$0 for entire entry for Rwanda

GBS: N/A

CIV: N/A

List of Items Controlled

Unit: 0A018.a, .b, and .c in \$ value; 0A018.d, .e, and .f in number.

Related Controls: N/A

Related Definitions: N/A

Items: a. Power controlled searchlights and control units therefor, designed for military use, and equipment mounting such units; and specially designed parts and accessories therefor.

b. Construction equipment built to military specifications, specially designed for airborne transport; and specially designed parts and accessories therefor;

c. Specially designed components and parts for ammunition, except cartridge cases, powder bags, bullets, jackets, cores, shells, projectiles, boosters, fuses and components, primers, and other detonating devices and ammunition belting and linking machines (all of which are subject to the export licensing authority of the U.S. Department of